



Larchmont Village Property Owners Association
Board of Directors Meeting
May 24, 2018, 10:00 am
200 N. Larchmont Blvd., Los Angeles, CA 90004

Meeting called to order at 10:02 am

Role Call: Board members present were Tom Kneafsey, Joanna Verneti, Gina St. Aubin, William MacNeil. Invited attendees present were: BID Co-Executive Directors Heather Boylston and Rebecca Hutchinson, Bookkeeper Erin Dolan, Attorney Tom Cairns.

Public Comment

None.

Reports to the Board

- Finance: Erin Dolan presented YTD financial statements and the independent accountant's review report for FY2017.
- Assessment Increase: Tom Kneafsey made a motion to approve the City's 3% annual increase in assessment. Bill MacNeil seconded. Motion passed unanimously.
- Recent Property Sale: Discussion of Lipson property sale.
- Proposed Park: Update given on park proposed for City parking lot.
- Trees/Sidewalks: Discussion of progress on tree and sidewalk management plan.

Meeting adjourned at 10:43 am and moved to closed executive session to discuss pending litigation.

Financial Statements

LARCHMONT VILLAGE PROPERTY
OWNERS ASSOCIATION

(A Non-Profit Organization)

DECEMBER 31, 2017

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To Erin Dolan
Larchmont Village Property Owners Association

We have reviewed the accompanying financial statements of Larchmont Village Property Owners Association (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of revenue and expenses and changes in fund balance for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

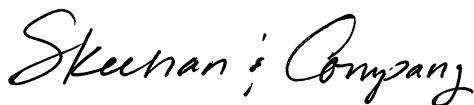
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Skeehan & Company
Pasadena, CA
May 21, 2018

LARCHMONT VILLAGE PROPERTY OWNERS ASSOCIATION
(A Non-Profit Organization)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017

ASSETS

<u>Current Assets</u>		
Cash	\$	<u>5,082</u>
<u>Total Current Assets</u>	\$	<u>5,082</u>
<u>Total Assets</u>	\$	<u><u>5,082</u></u>

FUND BALANCE

<u>Fund Balance</u>	\$	<u>5,082</u>
<u>Fund Balance</u>	\$	<u><u>5,082</u></u>

See accompanying independent accountant's review report

LARCHMONT VILLAGE PROPERTY OWNERS ASSOCIATION

(A Non-Profit Organization)

STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED
DECEMBER 31, 2017

<u>Revenues</u>	
City of Los Angeles - Assessment Revenue	\$ 121,542
Interest Income	4
	<hr/>
<u>Total Revenue</u>	<u>121,546</u>
<u>Operating Expenses</u>	
Accounting and Tax Preparation	2,770
Administration Service	8,400
Ads	990
Dues and Subscriptions	325
Holiday Decoration	9,364
Insurance	4,763
Janitorial Supplies	75
Landscaping - Tree Pruning	2,150
Legal and Professional Fees	44,530
Licenses and Fees	80
Marketing	21,750
Office	316
Repairs	671
Sidewalk Cleaning	49,125
Supplies	134
	<hr/>
<u>Total Expenses</u>	<u>145,443</u>
<u>Excess of Expenses Over Revenues</u>	(23,897)
<u>Fund Balance, Beginning of Year</u>	<u>28,979</u>
<u>Fund Balance, End of Year</u>	<u>\$ 5,082</u>

See accompanying independent accountant's review report

LARCHMONT VILLAGE PROPERTY OWNERS ASSOCIATION
(A Non-Profit Organization)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note 1 Summary of significant accounting policies

Larchmont Village Property Owners Association (the "Association") was established as a nonprofit organization to upgrade streetscape environment for shoppers, tourists, business owners, and their employees. Specifically, this currently includes private security, sidewalk cleaning, tree pruning, and trash bin cleaning, and related administration operations. The Association acts as the managing entity for the Larchmont Village Business Improvement District (BID), which includes a total of 25 commercially zoned parcels along both sides of Larchmont Boulevard between 1st Street and Beverly Boulevard. This area represents the core commercial district of the Village, and includes a combination of residential, retail, restaurant, financial, and office use.

Fund accounting on cash basis

The Association operates according to its governing documents. The Association records its operations on the cash basis.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Association to make accounting estimates which affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Cash

Cash includes assessment revenue distributed to the BID by the City of Los Angeles. The city collects a property owner approved surcharge on the property tax bills, which are held by the city until the funds are disbursed to the BID.

Operating Expenses

The Association expends the assessment revenue funds in accordance with the budget outlined in the Management District Plan, which details programs such as security, sidewalk cleaning, tree pruning, trash bin cleaning, administration operations, and contingency reserve. In 2015 the Association consolidated vendors for security, sidewalk cleaning, tree pruning, and trash bin cleaning to stabilize and to lower costs.

Note 2 Income taxes

The Association has elected to file its income tax return as a homeowners' association in accordance with Internal Revenue Code Section 501(c)(4). As such, the Association is exempt from federal income taxes and subject only to a filing fee at the state level.

Note 3 Subsequent events

The Association has evaluated subsequent events through May 21, 2018, the date which the financial statements were available to be issued. It is in the opinion of management that such events and transactions did not have a material impact on the financial statements.

11:19 AM
05/22/18
Cash Basis

Larchmont Village Property Owners Assoc.
Balance Sheet
As of May 22, 2018

	<u>May 22, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
LVPOA	27,679.16
Total Checking/Savings	<u>27,679.16</u>
Total Current Assets	<u>27,679.16</u>
TOTAL ASSETS	<u>27,679.16</u>
LIABILITIES & EQUITY	
Equity	
Prior Period Adjustments	9,640.33
Retained Earnings	-4,558.10
Net Income	<u>22,596.93</u>
Total Equity	<u>27,679.16</u>
TOTAL LIABILITIES & EQUITY	<u>27,679.16</u>

11:18 AM
05/22/18
Cash Basis

Larchmont Village Property Owners Assoc.
Profit & Loss
January 1 through May 22, 2018

	<u>Jan 1 - May 22, 18</u>
Income	
Interest Inc	0.42
PBID	86,543.95
Total Income	<u>86,544.37</u>
Expense	
Adm Services	3,500.00
Ads	600.00
Dues and Subscriptions	100.00
Holiday Dec	11,511.36
Insurance	
Dir & Officers	1,000.00
Liability	107.33
Insurance - Other	346.00
Total Insurance	<u>1,453.33</u>
Legal-Prof Fees	1,690.00
Marketing	10,834.00
Rental Expenses	
Auto and Travel	4.00
Total Rental Expenses	<u>4.00</u>
Repairs	569.75
Sidewalk Cleaning	20,475.00
Tax	
State	60.00
Total Tax	<u>60.00</u>
Tree Pruning	13,150.00
Total Expense	<u>63,947.44</u>
Net Income	<u><u>22,596.93</u></u>